

1.) Summary Operating Margins FY05 through FY10 by Payer Group\*

	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
Commercial	24,137,696	26,298,992	28,511,588	31,132,595	30,892,441	32,084,134
Government	(11,846,730)	(14,334,456)	(14,680,009)	(16,057,192)	(16,570,949)	(17,787,456)
All Other	(1,936,626)	(4,014,589)	(2,907,767)	(3,585,981)	(3,263,015)	(3,237,105)
Total	10,354,340	7,949,947	10,923,812	11,489,422	11,058,477	11,059,573

\*These are estimated based on cost report information. The hospital does not have a cost accounting system which is expensive to acquire and maintain and does not track operating margins by payor or payor group. These figures are based on a rough model specifically pulled together to answer the question posed. It relies on cost reporting step down statistics many of which have become somewhat obsolete over time. It is likely that cost allocations using this method are very different from what would be seen in a well maintained cost accounting system.

The hospital does not collect data at the product type level. For example, all Harvard Pilgrim patients are classified as Harvard Pilgrim regardless of whether they are in a HMO, PPO or POS plan. The reimbursement to the hospital is the same under all products. The hospital currently has no capitated agreements. At one time the hospital had a budgeted capitation agreement for a portion of the population covered by one insurer with primarily upside risk.